



CHARITABLE ENDOWMENTS AND TRUSTS.

1. Interest on the various balances, as shown below, of the following charitable and educational endowments in Bombay should be paid at the rates assigned against each, but the balances should not be increased either by credit of interest to them, or otherwise :—

	Balance.	Rate of interest per annum.
1. Sir Jamsedji Jijibhai School of Arts and Design ...Rs.	1,02,009	5 per cent.
2. Sir Jamsedji Jijibhai Hospi- tal and Dispensary Fund. „	2,00,000	6 do.
3. Sir Jamsedji Jijibhai Hospi- tal Obstetric Institution Fund ... „	13,426	5 do.
4. Sorabji Jamsedji Jijibhai Founder Scholarship Fund ... „	3,600	5 do.
5. Farish Scholarship Fund... „	19,900	6 do.
6. Carnac Scholarship Fund... „	16,700	6 do.
7. Anderson Scholarship Fund „	14,900	6 do.
8. Reid Scholarship Fund ... „	13,600	5 do.
9. McLennan Scholarship Fund ... „	9,400	5 do.
10. Sir Jamsedji Jijibhai Me- dical Prize Fund ... „	5,900	5 do.
11. Sir Jamsedji Jijibhai Me- dical Book Fund ... „	14,100	5 do.
12. Sir Jamsedji Jijibhai Gold Medal Fund ... „	3,800	5 do.
13. Victoria Charitable Dispen- sary Fund ... „	65,000	5 do.
14. District Benevolent Society Fund ... „	56,000	5 do.
15. Sir Jamsedji Jijibhai Parsi Benevolent Institution Fund ... „	3,00,000	6 do.
16. Bombay Education Society's Fund ... „	43,213	6 do.
17. David Sassoon's Industrial and Reformatory Insti- tution Fund ... „	30,000	5 do.
18. Annuity Fund of Fatteh Oollakhán* ... „	40,000	6 do.
	<u>Rs. 9,51,548</u>	

(G. I., F. & C., No. 3247, dated 21st September, 1883; *vide* G. R. No. 3746, dated 17th October 1883.)

2. The orders prescribed in Rules I and II, Article 173, Chapter 11 of the Civil Account Code, 5th edition, need not be enforced in the case of Trust Funds vested in the Lord Bishop or the Venerable the Archdeacon, or in both jointly. (G. R. No. 306, dated 23rd January 1889.)

* This Fund has been transferred to the books of the Comptroller, India Treasuries (*vide* Accountant General's mem. No. G. S.-40, dated 10th November 1898).

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3. By Government memorandum No. 1664, dated 2nd July 1887, the Educational Department was requested to keep supplementary lists of new educational endowments, or of alterations in existing funds, and to send them to the Financial Department through the Accountant General at the end of each year. Similar lists should also be kept by the other Departments of the Secretariat, (except the Revenue, Separate and Legislative Departments), as regards the funds of which the securities are held in trust by the officers subordinate to them for a public or quasi-public purpose or on behalf of Government, and should be forwarded to the Financial Department each year in a consolidated statement through the Accountant General. Officers subordinate to the Revenue and Financial Departments should also prepare similar lists and forward them through the Accountant General to the Financial Department. The lists should be prepared for the calendar year, and should reach the Financial Department by the 31st March following at the latest. Those for the past year may, however, be forwarded not later than the 31st proximo.

All Departments of the Secretariat and Heads of Offices subordinate to them should be informed that trusts are not to be accepted unless they are in Government securities, or can be converted into them, and can be dealt with according to the Resolution of the Government of India, No. 276, dated 30th April 1880, embodied in the preamble of Government Resolution No. 1684, dated 15th May 1880, a reference being made to Government in the Financial Department for orders in cases of doubt. The Governor in Council is further pleased to lay down the following directions to be observed when money is made over to Government in general terms for the furtherance of some object or the support of some institution :—

(a) The Government promissory notes in which the money is to be invested should be purchased and held by the Accountant General in trust as to the principal sum and the securities thus taken by him, to hold the same until the handing over of his office to a successor, and then to make over the same to him on a like trust and on those hereafter specified and for this purpose to execute all transfers and other documents and do all things necessary to give effect to the successive transmissions of the direct dominion over the property and in trust as to the accruing interest, to receive the same from time to time as it becomes due, and to make over the sums thus received (minus the amount of commission which is to be credited and paid to Government) to the officers already charged with expenditure in fulfilment of the purposes of the trusts or to such other officers or persons as the Governor of Bombay in Council may from time to time indicate, to be applied by them to the purposes of the trusts under the direction of the Governor in Council.

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(b) At the foot of the list which is to be kept by the Accountant General of the securities held by him and of the trusts annexed or purposes to be served, a memorandum should be written by each succeeding Accountant General to the effect that he has received and holds the securities aforesaid on the trusts indicated in the case of each. Such a memorandum would bind each one as a trustee, although even without this the assumption of the ownership would take with it the announced or known trusts adhering to each item.

The list of securities to be kept by the Accountant General will not apparently at all represent the sum of the obligations of Government. There seem to be funds standing as book debits against Government in favour of various institutions. The Government of India appear in 1880 to have desired that their obligations embodied in the permanent capital funds of charities should generally be put into this shape. This arrangement has some manifest advantages, as the notes could not then be stolen or dishonestly dealt with. On the other hand, the exchange in a case of real trust from the one to the other form is of doubtful legality. Government, too, having once accepted a book liability of an annuity representing a particular rate of interest would be bound to that rate unless they had guarded themselves carefully in the first instance. In converting into a book debt, the stipulation or declaration should be made that it is to stand from one half year to another at a rate not exceeding — per cent. (being the rate of the Government notes or the rate of the loan last contracted by the Government of India repayable in the ordinary currency). Trusts, as such, ought not to be accepted by any officer of Government in his official capacity except with the sanction of Government. If he accepts one he may find it not altogether easy to get rid of the liability, and as the knowledge of English law extends, the result may be troublesome. Donations do not present so much risk, but a trust is very easily annexed to a donation. It would be well that shares and stocks involving any possible liability for calls should be converted into money or Government paper before they are handed over.

It is presumed that the Government notes and shares formerly held by Government officers in trust have all been handed over to the Accountant General, except in a few cases in which other arrangements have been allowed under the special orders of Government. In future, all donations in this shape should be handed over at once to the Accountant General whenever they are to form a fund producing interest while the capital is preserved.

Government in accepting a trust distinctly for any charity or institution will always guard themselves against the contingency of the institution becoming useless or mischievous by the insertion of a clause to this effect: "or for such other institution by which the [one in question] may with the approval of the Governor in Council be replaced"; and again "and

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for such other purposes of a like nature or in furtherance of the intent hereinbefore specified as to the Governor in Council shall at any time seem proper." (G. Rs. Nos. 1138, dated 27th April 1888, and 2181, dated 28th June 1895.)

4. The lists of new funds or alterations in existing funds, the securities connected with which are held by public officers in trust for a public or quasi-public purpose or on behalf of Government, should be invariably forwarded through the Accountant General, who should examine them to see if they agree with the entries in his books and settle all discrepancies in communication with the officers concerned before transmitting the lists to the Financial Department. The lists submitted by the Collectors should be consolidated in the Commissioners' offices and not transmitted piece-meal.

The security deposits of Government servants, contractors, &c., funds held by public officers on account of minors, insanes, &c., and invested balances of Municipal Funds should not be included in the lists. Lists regarding funds of an educational nature should be submitted to the Educational Department, and need not be included in the lists forwarded to the Financial Department. Nor should funds of a private nature be included. In the case of new funds it should be reported whether they are permanent or otherwise, and brief information should be supplied as to their nature and the officers who have been or should be appointed to be trustees thereof and the orders of Government, if any, dealing with their constitution should be quoted. (G. R. No. 1975, dated 20th May 1889.)

5. The Collector or Deputy Commissioner, and the Huzúr Deputy Collector of the district should be nominated as the Administrators of the Local Fund Educational Pension Funds of each district. Where no Huzúr Deputy Collector has been attached to a district, the District Deputy Collector should be substituted. (G. R. No. 2130, dated 16th June 1891.)

6. The Educational Funds, being purely trust funds, should be managed as such. In cases where these funds are sufficiently large to justify such action, they should be transferred to the Treasurer of Charitable Endowments, but *all* the smaller funds should be vested in local trustees. Even when it is not practicable to transfer small trust endowments to local trustees who are not Government officials, and when the trustees must be officials in Government service, it should not be necessary to maintain separate Excluded Local Funds for the receipt and disposal of accruing interest. The officials can generally dispose of the interest immediately on receipt in accordance with the terms of the trust, and as for the capital fund it will suffice if they abide by the rules in Chapter II of the Civil Account Code, 5th edition, for the deposit of Government securities held in trust by servants of Government. Separate accounts of all petty trusts, whether

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vested in Government officials or other local trustees, should be maintained by the trustees and submitted periodically to the Local Government through the Director of Public Instruction.

As regards Dispensary Funds, the Government of India think it unnecessary that they should be treated as Excluded Local Funds and separate accounts of them maintained on the books of the Account Department. It appears that these Funds were constituted into Excluded Local Funds because it was thought that otherwise there would be a difficulty in keeping the balances distinct from those of the District and Municipal Funds of which they form a part, and in investing portions of such balances. But it will be quite possible for District

* Rule 183:

'All subscriptions, donations and the interest on endowments shall be credited to the District Fund, but a separate account of hospital and dispensary, receipts and expenditure shall be kept. The endowments and other invested funds of hospitals and dispensaries under the management of District Boards shall be held in the custody of the Comptroller General apart from the District Fund. The securities shall not be sold and these invested funds shall not be appropriated or used in any way without the sanction of Government.'

and Municipal Committees to keep separate accounts of the Dispensary receipts and expenditure, as is done in Bengal under No. 183* of the rules framed by the Local Government under Clause (k), Section 138, of the Bengal Local Self-Government Act, III (B. C.) of 1885, a copy of which is given in the margin. The

Committees could, if necessary, invest the Dispensary Funds in Government securities or in any other way authorized by law.

The endowment funds referred to in these orders include invested money of grant-in-aid dispensaries, such as 4 per cent. Government paper, as well as Endowment Funds of endowed dispensaries. (G. I., H. D., No. 308, dated 6th June 1891; *vide* G. R. No. 2391, dated 7th July 1891, and G. R. No. 3263, dated 19th September 1891.)

7. The Government of India have no objection to Educational Funds amounting to less than Rs. 10,000 being vested directly in the Accountant General as Treasurer of Charitable Endowments in cases where the trusts cannot be vested in local bodies or non-official persons, and subject to the condition that the securities forming the endowments which amount to less than Rs. 10,000 are all converted into Government stock certificates before the issue of the orders vesting such endowments in the Treasurer of Charitable Endowments. Under this arrangement, the Treasurer of Charitable Endowments will merely draw the interest on the securities and remit the amount to the Managers or Administrators appointed by Government or under the trust. He will take no part in the administration of the trusts or the detailed disposal of the money. The management of the detailed expenditure in connection with such trusts should be committed to the

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officers of the Educational Department or such other authorities (if any) as the Bombay Government may appoint for the purpose, and the expenditure on account of the trusts should be kept quite outside the Government accounts. (G. I., H. D., No. 203, dated 19th July 1893; *vide* G. R. No. 3128, dated 9th September 1893.)

8. It is stated* in Lewin on Trusts: "It may be laid down as a clear and undisputed rule that no one is compellable to undertake a trust" (see also Agnew on the Law of Trusts in British India, page 132).

* Page 196, 8th Edition.

2. Municipalities are under a statutory obligation to deal as trustees with the property vested in them by the Act which incorporates them, but those obligations do not include special trusts such as Educational Endowment Funds. The property transferred to them they are compellable to hold for the purposes of the Act, and do not appear to be bound to accept any further responsibilities. (G. R. No. 1642, dated 19th November 1892; *vide* G. R. No. 3128, dated 9th September 1893.)

9. Municipalities and District Local Boards should maintain separate accounts of Grant-in-Aid Dispensary Funds. In the case of the Endowed Dispensary Funds the course suggested in the marginally noted paragraph 10† of the Legal Remembrancer's report No. 1643, dated 19th November 1892, should be adopted. The Surgeon-General with the Government of Bombay should take the necessary steps to make over the Funds to the Local Bodies concerned unless any serious objections exist. In cases in which any objection exists, he should take steps to have the Endowments Funds vested in the Treasurer of Charitable Endowments in accordance with the orders contained in G. Rs. No. 813, dated 7th March 1891. (G. R. Nos. 3298, dated 23rd September 1893 and 4352, dated 12th December 1893.)‡

† "That course which I think Mr. Naylor considered in his No. 1018 of 15th July 1890 to be suitable in such cases would be as follows:—

(a) The persons acting in the administration of the trust should make an application to Government under Section 6 (1) of the Charitable Endowments Act (VI of 1890).

(b) Government could then, with their concurrence, order under Section 4 (1) by Notification in the *Government Gazette* that the property be vested in the Treasurer of Charitable Endowments.

(c) A scheme might then be settled under Section 5 (1) for the administration of the property, and the proposed trustees might be appointed to administer the property.

(d) A direction under Section 10 (1) might then issue divesting the Treasurer of the property which would thereupon vest under Section 10 (3) in the proposed trustees in the administration thereof who would hold the same on the same trusts as those on which it was held by the Treasurer.

‡ The Government Securities belonging to the Grant-in-aid Dispensary Funds are kept by the Accountant General in his custody and the interest realized thereon is remitted by him to the bodies concerned. (G. R. No. 3504, dated 24th October 1894.)

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10. The provisions of the Charitable Endowments Act, 1890, are, as will be seen from the definition of 'charitable purpose' given in Section 2, applicable to trusts for charitable purposes, but not to trusts devoted exclusively to the purpose of religious teaching or worship. The funds of any trust founded on a mixed basis, like that of Diocesan schools, the main aim and object of which is to impart a sound general education, although there is some direct religious teaching, may certainly be vested in the Treasurer of Charitable Endowments to be appointed under Section 3, and the Local Government will be competent to sanction a scheme for its management. On the other hand, as purposes exclusively religious are expressly excluded from the operation of the Act, Local Governments will certainly not permit any colourable evasion of the principle. In other words, if it should appear that a trust has been constituted mainly for a religious purpose, but that in order to bring it within the scope of the Act some secular purpose has been superadded, the application to vest the property in the Treasurer will be rejected. Doubtful cases must be expected to occur, but the Governor-General in Council, as at present advised, is disposed to think that a safe rule to follow, while the law remains in its present shape, will be to grant the application only in respect of the secular objects, where these can be separated from the religious purpose with which they are combined; while, where the religious and secular objects are incapable of separation, the application should generally be rejected if the greater, or even a large and substantial, part of the fund is to be expended on a direct religious purpose. No trust should be accepted which involves the framing of a scheme regarding the detailed conduct of religious teaching or worship. (G. I., H. D., No. 8-Judl., 1241, dated 26th August 1890; *vide* G. R. No. 3080, dated 13th September 1890.)

11. In exercise of the powers conferred by Section 13 of the Charitable Endowments Act, VI of 1890, the Governor General in Council has been pleased to frame the following forms and make the following rules:—

Note.—In these Rules "the Government" means the Local Government or, when the Governor General in Council exercises under Section 7 of the Act the powers conferred by Sections 4 and 5 on the Local Government, the Government of India.

1. It being the wish of the Governor General in Council that the Government should not interfere under the Charitable Endowments Act, 1890 (hereinafter referred to as the Act), in cases of doubt or dispute and that the jurisdiction of the Courts in such cases should in practice be left unaffected by the Act, the cases with which the Government will have to deal may be divided into two classes, namely, (1) cases

Cases in which there should ordinarily be previous publication of vesting orders and of schemes.

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of trusts, whether already established or proposed to be established, out of which it may be confidently predicated that contention cannot arise, and (2) cases out of which contention may possibly arise, however remote or unlikely the contingency. To the first class will belong such cases as those of Lawrence Asylums, Railway Schools, and Endowments in Government securities in general aid of the funds of specified dispensaries or schools. To the second class will belong most cases in which private persons apply for a vesting order or a scheme or modification of a scheme and all cases in which it is proposed to depart in any respect from the ascertained wishes or presumable intentions of the founder of an endowment. In cases belonging to the first class, previous publication of proposed vesting orders and of proposed schemes and modifications of schemes will ordinarily be unnecessary: in cases belonging to the second class there should ordinarily be previous publication of such documents.

2. (1) When the Government, having regard to the last foregoing rule, is of opinion that a proposed vesting order or a proposed scheme or modification of a scheme, should not be made or settled without previous publication, it shall publish a draft of the proposed order, scheme or modification, or a proper abstract thereof, signed by one of its Secretaries, for the information of persons likely to be affected thereby.

(2) The publication should be made in the official Gazette and in such other manner as the Government may prescribe.

(3) There shall be published, with the draft or abstract, a notice specifying a date at or after which the proposed order, scheme, or modification will be taken into further consideration.

(4) The Government shall consider any objection or suggestion which it may receive from any person before such date with respect to the proposed order, scheme, or modification.

3. The cost of the previous publication under the last foregoing rule of any proposed order, scheme, or modification of a scheme, and any other costs incurred or to be incurred in the making or settlement of the order or of the scheme or modification, shall be paid by the applicants for the order, scheme, or modification, and if the Government so direct, may be paid by them out of any money in their possession pertaining to the trust to which their application relates.

4. In the case of property vested in a Treasurer of Charitable Endowments other than securities for money, the persons acting in the administration of the

Mode of previous publication of vesting orders and of schemes.

Incidence of cost of vesting orders and of schemes.

Accounts of trusts consisting of immovable property.

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trust, and having under Section 8, sub-section (3), of the Act the possession, management, and control of the property and the application of the income thereof, shall, in books to be kept by them, regularly enter or cause to be entered full and true accounts of all moneys received and paid respectively on account of the trust, and shall, on the demand of the Government, submit annually to such public servant as the Government may from time to time appoint in this behalf, in such form and at such time as the Government may from time to time prescribe, an abstract of those accounts and such returns as to other matters relating to the administration of the trust as the Government may from time to time see fit to require.

5. The following are prescribed as the fees to be paid to the Government in respect of any property vested under the Act in a Treasurer of Charitable Endowments:

(1) In the case of securities for money—

(a) For the purchase and sale of securities, a commission of $\frac{1}{8}$ per cent., in addition to any actual outlay on brokerage.

(b) For drawing interest, a commission of $\frac{1}{4}$ per cent.

(c) For remitting interest, the actual charges incurred.

(2) In the case of property other than securities for money, the actual charges incurred by the Treasurer in the discharge of his functions in respect of the property.

The Treasurer may deduct any fees payable to the Government on account of any endowment from any money in his hands on account of such endowment. If he holds on such monies the amount should be claimed from the administrators.

6. All copies of vesting orders received by the Treasurer will be filed together and will be numbered in consecutive order of their receipt; when a sufficient number have been received, they will be bound in volumes. A note will be made on each vesting order of any entries in the registers prescribed below relating to the property vesting in the Treasurer under the order.

Accounts of securities for money.

7. On the receipt of any securities for money, or on their purchase by himself, the Treasurer will record their receipt in a register in Form No. 1. He will also keep a separate account for each endowment in Form No. 2, in which he will record all receipts including any amounts sent for investment, and all disbursements. In the cash account the Treasurer will record only his own transactions (such as the payment of the money to the administrators), not the transactions of the administrators of the endowment fund.

8. The Treasurer will keep a record in the appropriate columns of Form No. 1 of all securi-

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ties returned by him. The return will also be entered in Form No. 2, where the amount returned will be deducted from the capital of the endowment concerned.

9. If the securities elsewhere than in Madras and Bombay consist of Government promissory notes, they will be forwarded to the Comptroller General for custody under the general rules laid down in the Civil Account Code; but the securities held under the Act must be forwarded separately, and the Treasurer will keep a separate register under those rules for these securities, and will also keep a separate file of the acknowledgments.

The Treasurer will retain in his own custody all securities for money other than Government promissory notes.

10. The Treasurer, on receipt of any interest on securities, will pass it through his General Trust Interest Account under a special sub-head, 'Interest on Charitable Endowments under Act VI of 1890.' The interest will then be distributed to the various ledger accounts (Form 2), in which the gross amounts must be shown, any deductions for fees, &c., being shown as a charge, and the payment of the balance to the administrators being also shown as a disbursement. The entries in the ledger of interest received must be taken out and agreed annually with the total amount of interest drawn.

11. The register in Form No. 1 will show all securities vested in the Treasurer as such, whether actually held by him or by the Comptroller General as his agent. In order to prove the balance actually held by the Treasurer in his own hands, a balance sheet in Form No. 3 will be made out annually and agreed with the actual securities in the Treasurer's possession; such agreement will be certified on the balance sheet.

12. The accounts of the interest and the annual agreement of balance will be made at the time which the Local Government may direct under Section 9 of the Act for the publication of the list of properties held, and of the abstract of accounts.

Property other than securities.

13. The Treasurer will enter in a register in Form No. 4 any property other than securities which becomes vested in him, and will record in the same register against the original entry a note of any property of which he is divested.

Publication of lists and abstract of accounts.

14. The list of properties vested in the Treasurer to be published annually shall be in Form No. 5. Part I will relate to properties other than securities; Part II will relate to securities, and will also contain the abstract of accounts required by the Act to be published. The Treasurer will demand and receive acknowledgments from the

Serial number.	Date of receipt.	Name or brief description of Charitable Endowment.	From whom received.	No. and date of forwarding letter.	Nature of securities, e.g., Government securities 4 per cent. loan of 1888, Guaranteed Railway Debentures, &c., &c.	Distinguishing number of each security.	Nominal value of each security.	Total nominal value of each separate endowment.
1	2	3	4	5	6	7	8	9

Ledger folio.	RETURN OF SECURITIES.						Initials of the Treasurer, or Assistant in charge.	Remarks.
	Date.	To whom sent.	Authority for return.	No. and date of acknowledgment.	Nominal value of each security.	Quarter in which deducted from balance.		
10	11	12	13	14	15	16	17	18

N. B.—The amount in column 9 will be totalled each quarter; the total of the amounts returned during the quarter, with a note of the serial numbers to which they appertain, will be deducted, and the balance worked out and carried forward to the next quarter. Amounts sent to the Comptroller General should not be entered in columns 11–16, or deducted from the balance, as the Comptroller General holds these amounts as Agent for the Treasurer.

Form No. 2.

Ledger Account of Securities held under Act VI of 1890.

1. Name of endowment.
2. Particulars of vesting order.
3. When vested in Treasurer.
4. Names of administrators.
5. To whom interest is to be sent.

RECEIPTS.			EXPENDITURE.			Initials of Treasurer or Assistant in charge.
Date.	Particulars	Amount.	Date.	Particulars.	Amount.	

N. B.—To be closed annually to balance. The transactions will not be numerous. A few pages of the ledger (ruled only for the Cash Account) may be left for each account, so that the account may be carried on for several years without opening a fresh Ledger Account.

Form No. 3.

Balance Sheet.

Particulars	NUMBER AND VALUE OF SECURITIES,				
	Government Securities 4 per cent. of 1865.		(A pair of columns for each different kind of security held.)	Total.	
	Number.	Value.		Number.	Value.
Opening balance (from last year.					
Received during year (total must agree with Form 1).					
Grand total (a)					
Returned during year ...					
Sent to Comptroller General during year.					
Total transferred or returned (b).					
Closing balance (difference between (a) and (b).					

Certified that the above closing balance has been compared with the securities in Treasurer's possession and has been found to agree both as to number and value,

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Form No. 4.

Register of Properties other than Securities for Money held under Act VI of 1890.

Serial No.	PARTICULARS OF VESTING ORDER.		Name of endowment.	Administrators of property.	PROPERTY HELD.		
	No.	Date.			Description.	Value.	Annual income, if known.
1	2	3	4	5	6	7	8

TITLE-DEEDS HELD.						Initials of Treasurer or Assistant in charge.	Remarks.
Description.	Date of receipt.	Where deposited.	Date of return.	To whom returned.	Authority for return.		
9	10	11	12	13	14	15	16

PART I.

Form No. 5.

List of Properties other than Securities held under Act VI of 1890.

Serial No.	PARTICULARS OF VESTING ORDER.		Name of endowment.	Administrators of property.	PROPERTY HELD.			Remarks
	No.	Date.			Description.	Value.	Annual income, if known.	
1	2	3	4	5	6	7	8	9

PART II.

Form No. 5.

List and Abstract Account of Securities held under Act VI of 1890.

Case No.	Name of endowment.	Person in whose behalf held.	PARTICULARS OF SECURITIES	Total of securities.	CASH RECEIPTS.			CASH EXPENDITURE.			Total paid.	Balance in cash.	Remarks.
					Interest or dividend realised.	Other cash receipts.	Total cash receipts.	Paid to the Government.	Other payments.				

* Enter details in these columns.

(G. I., H. D., Notn. No. 1569, dated 24th October 1890; vide G. N. No. 3673, dated 5th November 1890.)

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12. Under Section 3 (1) of the Charitable Endowments Act, VI of 1890, the Governor General in Council is pleased to appoint the following officers to be Treasurers of Charitable Endowments for the territories which are specified against them respectively in the following schedule; namely :

SCHEDULE.

Officer.	Territories.
The Accountant General, Madras ...	Madras Presidency.
Ditto, Bombay ...	Bombay Presidency.
Ditto, Bengal ...	Lower Provinces.
Ditto, North-Western Provinces and Oudh ...	North-Western Provinces and Oudh.
Ditto, Punjab ...	Punjab.
The Comptroller, Central Provinces...	Central Provinces.
Ditto, Burma ...	Burma.
Ditto, Assam ...	Assam.
The Accountant General, Madras ...	Coorg.

(G. I., H. D., Notn. No. 1580, dated 24th October 1890 ; *vide* G. N. No. 3673, dated 5th November 1890.)

13. It is desirable that the Law Officers of Government should be consulted before any vesting order is made, or any scheme is settled, by the Government of Bombay under the provisions of Section 4 (1) or Section 5 (1) of the Charitable Endowments Act. There appears to the Governor General in Council to be no necessity, for the present at any rate, to prescribe any form of application of the nature referred to in these two sections. His Excellency in Council is disposed to allow considerable latitude in this respect, until the objects of the Act are better understood, as it appears to him that so long as the application is made by the proper persons, and contains the essential particulars, its form is not of very material consequence. The following is draft notice for a vesting order of money securities as indicating the view of the Government of India as to the form which such documents should take, and which would apply *mutatis mutandis* to a notice for a scheme :—

Draft Notice.

‘CHARITABLE ENDOWMENTS ACT, 1890.

In the matter of the [*here state the name by which the charity is known*] in the [*here state the locality in which the charity is situated*] in the [*here state the Province*].

Whereas application has been made to the [*here state the Local Government*] by [*here give the names and addresses of the applicants*] being the [*here state whether they are the persons acting in the administration of the trust, or a majority of them, or the executors or administrators of deceased trustees*] that the following securities for money [*here specify the securities*] may be vested in the Treasurer of

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Charitable Endowments for the [*here state the Province*] upon the following terms [*here state the terms*].

Notice is hereby given that an order is proposed to be made by the [*Local Government*] after the expiration of [*two*] calendar months to be computed from the first publication of this notice, vesting the said securities in the said Treasurer upon the terms aforesaid.

Any objections to the proposed order or suggestions thereon may be transmitted in writing to the [*Secretary to the Local Government*] before the day of

Dated this day of 189 .

Secretary to [*the Local Government*].

(G. I., H. D., No. 1591, dated 24th October 1890 ;
vide G. R. No. 813, dated 7th March 1891.)

14. As regards the vesting of existing *trust* funds in the Treasurer of Charitable Endowments, no action can be taken in the case of any funds which are exclusively or mainly devoted to religious purposes as they are not provided for by the Act, while those which are exclusively or mainly devoted to secular purposes may be divided into two classes, *viz.*, (*a*), cases of trusts, out of which it may be confidently predicated that contention cannot arise; and (*b*) cases out of which contention may possibly arise, however remote or unlikely the contingency. As regards (*a*), orders can be issued under Sections 4 and 5 of the Act on application being made by the administrators for the vesting of the funds in the Treasurer of Charitable Endowments and for the settling of schemes for their administration. With reference to (*b*), the procedure laid down in No. 2 of the rules published in the Government of India Notification No. 1569, dated 24th October 1890, will have to be followed before issuing the requisite orders. Each officer in charge of a fund for charitable purposes, *i.e.*, for purposes of public utility, as trustee or quasi-trustee should, with his application for transfer of the Fund to the Treasurer of Charitable Endowments, send (through the Remembrancer of Legal Affairs) suggestions as to who should be the managers and trustees of the endowment or foundation in the sense of receiving and dispensing the profits and proceeds thereof for the benefit of certain persons or the furtherance of certain purposes according to prescribed rules. In the City of Bombay the Solicitor to Government should be the medium of communication. He and the Remembrancer of Legal Affairs should in each case state whether a publication of the intended scheme is necessary or not. Meanwhile the administration of the trust funds and the custody of the securities pertaining to them may continue as at present. (G. R. No. 813, dated 7th March 1891.)

15. In the case of funds which private individuals may wish to vest in the Treasurer of Charitable

[CHARITABLE ENDOWMENTS AND TRUSTS.]

Endowments, it is not considered expedient to prescribe any minimum limit. (G. R. No. 3948, dated 16th November 1893.)

16. Officers should furnish information on the following points when proposing or submitting applications under the Charitable Endowments Act, 1890:—

“(a) Whether the applicants are persons acting, or the majority of the persons acting, in the administration of the Trust referred to.

“(b) Whether the Trust is one in regard to which contentions may possibly arise within the meaning of No. 1 of the Rules under Section 13 of the Act,

* At *Bombay Government Gazette* for 1890, Part I, pages 1104 to 1109. published by Notification No. 3673,* republishing Government of India Notification No. 1569, Home Department (Judicial).

“(c) What are the suggestions to be proposed as referred to in Government Resolution No. 813 Financial Department, of 7th March 1891, as to who should be the Managers and Trustees of the endowment in the sense of receiving and dispensing the proceeds and profits thereof?

“(d) What is the origin of the Fund? And what was the expressed or implied intention of the author or authors of the Trust?

“(e) What, if any, are the rules and resolutions of the Institution in force? and

“(f) What, if any, is the scheme in force or proposed regarding the disposal of the proceeds and profits?”

(G. R. No. 1752, dated 18th May 1894.)

17. The following draft form has been prescribed for direction under Section 10 (1) of the Charitable Endowments Act, 1890, for divesting the Treasurer of Charitable Endowments of property vested in him:—

Whereas in exercise of the powers vested in him by Section 4 (1) of the Charitable Endowments Act, 1890, the Governor in Council was pleased, on an application made under the said Act, to order by Notification No. _____ published in the *Bombay Government Gazette* for 189____, Part _____, page _____, that the property hereinbelow mentioned, held in trust for the charitable purpose specified in the margin, be vested in the Treasurer of Charitable Endowments:

Trust for

Now, in exercise of the powers conferred by Section 10 (1) of the said Act, the Governor in Council is pleased to direct that the said Treasurer be divested of the said property, that is to say:—

Property referred to.

(Government Promissory ^{Notes} ~~Stock~~, &c., to be described as in Scheme.)

(G. R. No. 3107, dated 22nd September 1894.)

CHARITABLE ENDOWMENTS AND TRUSTS.]

18. The following forms should, *mutatis mutandis*, be followed in the drafting of applications, &c., under the Charitable Endowments Act, 1890 :—

“THE CHARITABLE ENDOWMENTS
ACT, 1890.

In the matter of the Sir Kavāsji Jehangir Scholarship Fund in connection with the David Sassoon Industrial and Reformatory Institution at Bombay.

Application for Vesting Order and Scheme.

We, the undersigned, approve of the draft Vesting Order hereto annexed and hereby apply to His Excellency the Governor of Bombay in Council that the securities of the Government of India mentioned in such draft Vesting Order be vested in the Treasurer of Charitable Endowments on the terms as to the application of the income thereof therein set out to which we agree.

We also beg to apply that a scheme for the administration of the property may be settled by the Government in accordance with the form of the draft scheme hereto annexed.

Dated this day of 1893.

Members of the Managing
Committee of the David
Sassoon Industrial and
Reformatory Institu-
tion.”

“THE CHARITABLE ENDOWMENTS
ACT, 1890.

In the matter of the Sir Kavāsji Jehangir Scholarship Fund in connection with the David Sassoon Industrial and Reformatory Institution at Bombay.

WHEREAS application has been made to the Local Government of Bombay by

the Members of the Managing Committee of the David Sassoon Industrial and Reformatory Institution that the following securities for money, viz., Government of India Promissory Notes Nos. B.005138, B.005132, B.006440, and 41 for Rs. 1,000, Rs. 500, Rs. 100 and Rs. 100 respectively of the loan of 1865 bearing interest at 4 per cent. per annum, may be vested in the Treasurer of Charitable Endowments for the Presidency of Bombay upon the following terms. The Collector to draw the income or interest thereof as and when the same becomes due and payable and to hand over and pay the same as and when the same is received to the Trustees for the time being of the